

Extended Unemployment Compensation

The VEC has received in excess of 12,000 EUC applications. Many of these claimants have separation issues, able and available issues, pensions, etc. that will have to be adjudicated. Existing staff are working to process these applications as quickly as they can.

A reminder to EUC applicants: If you have relocated, make sure the VEC has your current mailing address. Send it to: VEC, P.O. Box 2249, Richmond, VA 23218-2249.

Below are EUC Q & A's that should answer most of your questions about the program, and how applications are processed.

Q & A's (Series 1) 6/30/08

1. What is the source of the extended benefits? On June 30, 2008, the United States Congress passed an economic stimulus package that included the Extended Unemployment Compensation Act of 2008 ("Act").
2. What new benefits are provided in the Act? The Act provides up to 13 weeks of temporary extended unemployment compensation benefits.
3. Who is eligible to receive the new extended benefits? Emergency Unemployment Compensation (EUC) is payable to individuals who (1) have exhausted all rights to regular compensation with respect to a benefit year that ended on or after May 1, 2007; and (2) have no rights to regular unemployment compensation (UI) or extended benefits (EB); and (3) are not receiving compensation under the unemployment compensation law of Canada. EUC benefits will not apply to benefit years that ended before May 1, 2007.
4. What will be the amount of the extended benefits for each claimant? The Act entitles eligible claimants to receive a total amount of extended benefits equal to 50% of their regular UI weekly benefits. Claimants will be paid a weekly amount equal to their regular UI weekly benefit until the total is exhausted.
5. How will we determine eligibility for the extended benefits? We will determine continuing eligibility for extended benefits in the same way we determine eligibility for regular UI benefits.
6. When will claimants receive the extended benefits? We are now working on implementing the extended benefits provisions of the Act. This process will require modifications of our existing systems, and we are currently reviewing those modifications to determine when we will be able to begin processing claims for extended benefits. We will notify you shortly as to the date we expect to have completed the necessary changes. We estimate that it will be 3 weeks before the EUC applications can be mailed out to claimants.
7. What is the first week claimants may qualify for extended benefits? The first qualifying week for extended benefits is the week ending July 12, 2008.
8. Will the claimant need to file a claim for the extended benefits? Yes. All claimants will have to file a claim form for the benefits. We will automatically mail the forms to the claimants for return and processing in the central office.
9. Will employers be taxed for the extended benefits? No. The extended benefits will be funded entirely with federal money. Therefore, there will be no tax associated with these benefits.

Q & A's (Series 2) 7/8/08

1. Does EUC entitlement exist for an individual who cannot monetarily establish a new claim but has a prior qualifying benefit year? Yes. Individuals who are unable to monetarily qualify for benefits on a subsequent benefit year, and who otherwise meet the EUC requirements, will be eligible for EUC. They can be paid EUC on the prior claim past the existing BYE date.

2. Can an individual qualify for EUC if his most recent UI claim had a BYE date prior to May 1, 2007? No. EUC cannot be paid on claims with a BYE date prior to May 1, 2007.
3. Does an individual with a qualifying benefit year who is eligible for UI benefits on a subsequent benefit year have the option to receive EUC based on the first benefit year? No. An individual with existing entitlement to UI compensation is not an exhaustee for EUC purposes.
4. If an individual has two qualifying benefit years on file and has exhausted the subsequent benefit year, does the individual have the option to receive EUC based on the first benefit year? No. The most recently exhausted benefit year is the applicable benefit year for EUC purposes.
5. Does the individual who monetarily qualifies for a new benefit year but is ineligible to draw benefits due to the double-dip provision, qualify for EUC on the prior claim? Yes. Claimants can qualify for EUC on the prior claim if the new claim is double-dip.
6. Does the EB work search and suitable work requirements apply to EUC? No. Virginia UI law will control the receipt of EUC benefits. EUC claimants will not have to meet separate continuing eligibility requirements.
7. If an exhaustee with an existing benefit year was separated from employment subsequent to exhaustion but prior to the effective date of EUC, does the separation have to be adjudicated? Yes. Virginia law applies in this case. We must adjudicate any separation subsequent to the exhaustion of UI providing it does not occur prior to a separation from a 30 day or 240 hour employer. Example: The claimant has three separations subsequent to the exhaustion of UI. The second separation is from an employer for whom the claimant worked 30 days. In this situation, we must adjudicate the second and third separations. The first is disregarded since it occurred prior to employment with the claimant's last 30-day or 240 hour employer.
8. Can EUC payments be used to offset overpayments of EUC or other benefit programs? Yes, but only at a rate of 50% of the payable amount per week claimed.
9. How does EUC entitlement affect the payment of basic TRA? During the first benefit period following a TRA qualifying separation, a claimant is potentially entitled to 52 weeks of basic TRA minus regular, additional and extended compensation (including federally financed extensions). Therefore, entitlement to EUC will reduce the basic TRA entitlement. In many cases, the application of this requirement will result in an individual receiving 26 weeks of UI, 13 weeks of TEUC, followed by 13 weeks of basic TRA for a total of 52 weeks of benefits.
- Note: The TRA balance will be reduced by EUC paid only if the claim the EUC benefits were paid from is the UI claim that the TRA claim was based on.
10. If a claimant is currently receiving TRA, do we have to suspend TRA payments and establish a EUC claim before an individual can go back on TRA? Yes, starting with the week beginning July 6, 2008, the TRA claim must be suspended until EUC is exhausted. TRA may be resumed at that point, but only after the TRA entitlement is reduced as explained in question #9.
11. The claimant exhausted 26 weeks of UI benefits on a first claim and received 10 weeks of TRA. The claimant then qualified for a second UI claim, so the payment of TRA was suspended. The claimant has now exhausted the second UI claim and meets the eligibility requirements for EUC. After the exhaustion of EUC, are TRA benefits payable? Yes. The claimant will have a remaining TRA balance of 16 weeks. In this case, TRA entitlement is not reduced by EUC because the EUC is not attributable to the first UI benefit year on which the TRA claim was based.
12. If EUC is payable before TRA, will the basic TRA eligibility period or the additional TRA eligibility period be lengthened? No. EUC entitlement has no effect on the determination of the period of eligibility for TRA.
13. How will potentially eligible EUC claimants be notified and their claims filed? Central office will identify potentially eligible claimants and mail them a EUC application. The application will be returned to the central office for processing. No decision has been reached yet as to how we will deal with claimants who have potential issues. Our intent is to do as much of the processing work as possible in central office before sending it to the field office. You will be notified as further decisions are made in this regard.

14. When a EUC claimant becomes eligible for UI, will he be required to file a UI claim? Yes. For individuals claiming past their BYE date, the benefits system will perform a wage check at the beginning of each quarter. Claimants who have qualifying UI wages will be required to file a new UI claim. The claimant will receive a letter informing them that they need to file a new UI claim.

15. Will field offices be given EUC application forms in case a claimant comes into the office to file? No, as soon as procedures have been finalized I will inform you of the process.

16. What about individuals who have potential UI eligibility in other states? We will ask claimants on the application form about wages in other states. If they answer "yes" to that question, the EUC application will be forwarded to the Monetary Determinations Unit for the Combined-Wage staff to review. If they qualify for UI in another state, they must exhaust that claim before becoming eligible for EUC.

17. When will VEC be ready to process EUC claims and make payments? We hope to have all programming ready by July 18, 2008, if not sooner.

18. How will claimants certify for weekly claims for EUC? Claimants will receive a BRI and weekly filing instructions on the back of their EUC Monetary Determination. The 28 day edit will be removed from the Voice Response System (VRS) and Internet weekly claim filing, allowing EUC claimants the opportunity to claim back weeks for an undetermined time period. EUC claims will be attached with an "A" for work search until we have had time to process those EUC applications that are mailed out initially.

19. Will EUC claimants be required to register with VOS? Yes, they will be informed on the monetary determination to go online and register for work.